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2 December 1952

MEMORANDUM FOR: The Deputy Secretary of Defense

SUBJECT:

External Research

- l. For quite some time there has been an evident lack of coordination among the agencies concerned with the national security in respect of external research contracts relating to foreign areas. This was emphasized in a recent staff study prepared by the Director of the Psychological Strategy Board, with which you are familiar. It is my belief that the agencies most concerned can substantially improve this situation by agreeing to exchange information about their existing and proposed external research contracts in this field. By consulting on a systematic basis it should be possible to lessen duplication and to make more purposeful those contracts which are let.
- 2. The Department of State and CIA four years ago recognized that their mutual interest could be advanced by joint participation in an external research staff in the State Department. It has been easy for the Department of State to make contact with scholars in the United States in order to collect information on their research and to arrange for contracts with those scholars or with Foundations. Considerable benefits have accrued from the maintenance of a repository of information about research, published by the Department of State from time to time and made available to the Department of Defense as well as other agencies, and a considerable area of cooperation has already been created.
- 3. We and the State Department share the view that intensified efforts should be made to improve coordination in this field and toward that end this Agency is contributing \$60,000 a year to the Department to match the latter's contribution to strengthening the external research staff.
- 4. I believe it to be in the interests of the national security that the intelligence agencies of the Government and those operating offices which handle external research contracts cooperate fully with this staff. I further believe that our mutual interests justify that, insofar as feasible, each make a financial contribution for its support.

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The Department of State will in the near future be discussing this question with appropriate officers in the Department of Defense and, if you agree with my thoughts as expressed above, I hope you will make known your views to them.

5. I am enclosing for your information a copy of my letter to Mr. Armstrong of the Department of State, and I am also sending a copy of this memorandum to Mr. Armstrong.

WALTER B. SMITH Director